37

DEF 12-5 JORDAN

INCOMING TELEGRAM *Department of State*

813

SECRET

44 Action

SS

Info

20639

VV QMA390KGA729
RR RUEHCR
DE RUQMKG 176A 2991505
ZNY SSSSS
R 261452Z
FM AMEMBASSY AMMAN
TO RUEHCR/SECSTATE WASHDC 244
INFO RUQMBE/AMEMBASSY BEIRUT 62
RUFHDN/AMEMBASSY LONDON 47
RUFHPA/AMEMBASSY PARIS 32
RUCJHK/CINCSTRIKE
STATE GRNC
BT
S E C R E T OCT 26

1965 OCT 26 PM 12 00

044

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY [signature] DATE 2/1/84
RDS☐or XDS☐EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED☒ RELEASABLE☐
RELEASE DENIED☐
FA or FOI EXEMPTIONS

LIMDIS

CINCSTRIKE FOR POLAD

EMBTEL 227 - SUPERSONICS

FRENCH ATTACHE STATIONED BEIRUT DURING ROUTINE CALL ON DATT OCT 25 SAID HE HAD BEEN PRESENT DURING TECHNICAL DISCUSSIONS OF FRENCH TEAM WITH GOJ ON SALE OF MIRAGE AIRCRAFT. HE REFUSED TO SPECIFY TERMS AND CONDITIONS BUT EXUDED CONFIDENCE OVER FACT SALE WOULD BE CONSUMATED BECAUSE HE SAID GENERAL DE GAULLE WAS NOW COMMITTED TO IT.

PAGE 2 RUQMKG 176A S E C R E T
LATER IN DAY, AMER KHAMMASH INFORMED US THAT FINAL OFFER OF FRENCH TEAM WAS 6.25 PERCENT OVER 8 1/2 YEARS WITH 6 PERCENT ON SIGNATURE OF CONTRACT, 6 PERCENT 6 MONTHS LATER, AND 5 1/2 PERCENT EVERY 6 MONTHS THEREAFTER. JORDANIANS HAD COUNTERED THAT LOAN AND ALL PAYMENTS SHOULD DATE FROM DELIVERY OF AIRCRAFT RATHER THAN FROM SIGNATURE OF CONTRACT AND HAD ARGUED FOR LOWER INTEREST RATE. FRENCH TEAM STATED IT NOT AUTHORIZED DISCUSS FURTHER CONCESSIONS BUT ADMITTED FRANKLY INTEREST WAS HIGHER THAN OFFERED LEBANESE.

PRICE REMAINS AS PREVIOUSLY REPORTED THOUGH KHAMMASH SAYS IT INCLUDES 150 NOT 75 MISSILES. HOWEVER ADDITIONAL ITEMS SUCH AS LOW FLYING RADAR, PHOTOGRAPHIC EQUIPMENT AND AMMUNITION WILL BRING TOTAL BILL TO ABOUT 40 MILLION JD FOR 36 MIRAGES. HE SPOKE IN

SECRET

DECLASSIFIED BY RHMP

0

CONFIDENT TERMS OF HIS ABILITY TO GET AT LEAST 19.5 MILLION JD FROM UAC AND INDICATED THAT HE LOOKED TO USG FOR BALANCE.

PRESENT ARRANGEMENT WITH FRENCH IS THAT GOJ WILL PREPARE COUNTER OFFER IN WRITING WHICH KHAMMASH WILL TAKE TO PARIS ABOUT NOVEMBER 10. KING HUSSEIN WHO EXPECTS AFO-ASIAN CONFERENCE TO BE HELD AS SCHEDULED WILL PLAN TO JOIN KHAMMASH IN PARIS AFTER ALGIERS FOR

PAGE 3 RUQMKG 176A S E C R E T
FURTHER DISCUSSION OF MIRAGE DEAL DIRECTLY WITH GENERAL DE GAULLE. FRENCH TEAM INDICATED ONLY DE GAULLE COULD MODIFY TERMS OF OFFER.

KHAMMASH SAID IN MEANTIME HE WAS KEEPING BRITISH NEGOTIATIONS ALIVE AND EXPECTING UK REPRESENTATIVE IN AMMAN OCTOBER 27. DESPITE KING'S OPPOSITION TO LIGHTNINGS, OF WHICH HE IS FULLY AWARE, KHAMMASH FEELS COMPETITION BETWEEN BRITISH AND FRENCH MAY IMPROVE TERMS THEY ARE OFFERING AND THAT AS LAST RESORT LIGHTNING IS INFINITELY PREFERABLE TO MIGS. HE ALSO SAID HE ASSUMED WE WOULD PREFER TO HELP FINANCE DEAL WITH BRITISH THAN TO HELP FINANCE ONE WITH FRENCH.

OVER WEEKEND SHEHADEH TWAL, LOCAL BUSINESSMAN WHO IS AGENT FOR BAC, DEPARTED FOR LONDON IN CONNECTION WITH LIGHTNING NEGOTIATIONS. HE REPORTED TO EMBASSY OFFICER DETAILS OF FRENCH OFFER AND SAID HE WAS CONVINCED HE COULD DO BETTER THAN THIS, WAS AWARE THAT HMG CURRENTLY DISCUSSING PROBLEM IN WASHINGTON AND HE WAS CONVINCED THEY WOULD CONSUMATE LIGHTNING DEAL. INDICATED THAT UK OFFER WOULD INCLUDE FREE PILOT TRAINING AND PRICE LOWERED TO 875,000

PAGE 4 RUQMKG 176A S E C R E T
POUNDS PER AIRCRAFT WITHOUT MISSILES AND COULD PROBABLY BE REDUCED FURTHER, BUT OTHERWISE NON-COMMITTAL ON DETAILS. UK EMBASSY SHOWING GREAT INTEREST AND PRESSING US FOR DETAILS OF FRENCH OFFER WHICH WE HAVE NOT DIVULGED.

COMMENT: DESPITE OUR BEST EFFORTS TO DISCOURAGE JORDANIAN CONTACTS FROM BELIEVING IN US FINANCIAL ASSISTANCE ON SUPERSONIC DEAL AND GRANTING ABSENCE BP ANY DIRECT APPROACH TO ME ON THIS SUBJECT, WE BELIEVE JORDANIANS FEEL THEY ARE DOING WHAT WE ASKED THEM TO DO IN EFFORT AVOID MIGS AND THAT AS LAST RESORT WE WILL COME THROUGH WITH FINANCIAL ASSISTANCE OR POSSIBLY EVEN BACK DOWN AND SELL AMERICAN AIRCRAFT.

GP-3. BARNES

BT